

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Balance Sheet
As of 6/30/2003

	As of <u>6-30-03</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,293,274,762	\$ 1,172,921,967
INTERNATIONAL EQUITIES	560,765,217	519,746,145
DOMESTIC FIXED INCOME	1,136,499,399	1,194,301,653
INTERNATIONAL FIXED INCOME	110,380,109	130,429,525
REAL ESTATE	168,299,583	163,084,869
VENTURE CAPITAL	103,782,691	72,539,115
INVESTED CASH (NOTE 1)	<u>80,246,521</u>	<u>66,676,997</u>
 TOTAL INVESTMENTS	 3,453,248,282	 3,319,700,271
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	14,239,321	16,315,075
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	264,424,819	262,981,090
DUE FROM OTHER AGENCIES (NOTE 3)	<u>673</u>	<u>940</u>
 TOTAL ASSETS	 <u>\$ 3,731,913,095</u>	 <u>\$ 3,598,997,376</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	2,138,605	2,482,964
SECURITIES LENDING COLLATERAL (NOTE 2)	264,424,819	262,981,090
DUE TO OTHER AGENCIES (NOTE 4)	<u>19,500</u>	<u>15,507</u>
 TOTAL LIABILITIES	 266,582,924	 265,479,561
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,333,517,815	3,534,146,128
CASH IN DURING YEAR (NOTE 5)	196,772,201	224,825,004
CASH OUT DURING YEAR (NOTE 6)	235,590,000	208,980,909
NET INCREASE (DECREASE)	<u>170,630,155</u>	<u>(216,472,408)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>3,465,330,171</u>	 <u>3,333,517,815</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 3,731,913,095</u>	 <u>\$ 3,598,997,376</u>

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 6/30/2003

	Month Ended <u>6-30-03</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 7,786,272	\$ 116,757,153
SECURITIES LENDING INCOME	<u>329,662</u>	<u>4,577,490</u>
	8,115,934	121,334,643
 GAIN ON SALE OF INVESTMENTS	 34,111,055	 439,879,350
LOSS ON SALE OF INVESTMENTS	<u>35,555,920</u>	<u>541,353,984</u>
 NET GAINS (LOSSES) INVESTMENTS	 (1,444,865)	 (101,474,634)
 INVESTMENT EXPENSES	 455,377	 10,218,693
SECURITIES LENDING EXPENSES	254,296	3,813,400
SIB ADMINISTRATIVE EXPENSES	<u>51,421</u>	<u>376,499</u>
 NET INVESTMENT INCOME	 5,909,975	 5,451,417
 NET APPREC (DEPREC) MARKET VALUE	 32,257,784	 160,923,281
MISCELLANEOUS INCOME/(EXPENSE)	<u>45,770</u>	<u>4,255,457</u>
 TOTAL INVESTMENT INCOME	 <u>38,213,529</u>	 <u>170,630,155</u>
 NET INCREASE (DECREASE)	 <u>\$ 38,213,529</u>	 <u>\$ 170,630,155</u>

STATE INVESTMENT BOARD
Notes to Financial Statements
June 30, 2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of the RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative or contract fees and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.